

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

B

WS-02812A  
Biasi Water Company, Inc.  
P. O. Box 518  
Beaver Dam, AZ 86432

**RECEIVED**

MAY 07 2007

AZ CORP COMM  
Director Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

5807

SCANNED

5-10-07

## COMPANY INFORMATION

Company Name (Business Name) <u>BIASI WATER COMPANY, INC</u>			
Mailing Address <u>PO BOX 518</u>			
<u>BEAVER DAM</u> (City)		<u>AZ</u> (State)	<u>86432</u> (Zip)
<u>(520) 347-5920</u> Telephone No. (Include Area Code)	<u>(520) 347-5970</u> Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address _____			
_____ (City)		_____ (State)	_____ (Zip)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

## MANAGEMENT INFORMATION

Management Contact: <u>GARY BIASI</u>		<u>PRESIDENT</u>	
(Name)		(Title)	
<u>PO BOX 518</u> (Street)		<u>BEAVER DAM</u> (City)	<u>AZ 86432</u> (State) (Zip)
<u>(520) 347-5920</u> Telephone No. (Include Area Code)	<u>(520) 347-5970</u> Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: _____			
(Name)			
_____ (Street)		_____ (City)	_____ (State) (Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: <u>RICHARD SALQUIST</u>			
(Name)			
<u>2525 E. ARIZONA BILTMORE CIR, STE 117</u>	<u>PHOENIX</u>	<u>AZ</u>	<u>85016</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 224-9222</u>	<u>(602) 224-9366</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: <u>SAME AS ABOVE</u>			
(Name)			
(Street) (City) (State) (Zip)			
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO          |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE          |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL             |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA              |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

COMPANY NAME

BIASI WATER COMPANY, INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	7,014	2,728	4,286
302	Franchises			
309	SUPPLY MAINS	78,521	30,562	47,959
304	Structures and Improvements	27,491	10,700	16,791
307	Wells and Springs	26,911	10,398	16,513
311	Pumping Equipment	9,523	3,170	6,353
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	63,175	22,560	40,615
331	Transmission and Distribution Mains	61,446	22,148	39,298
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	11,418	854	10,564
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	266	93	173
	TOTALS	285,765	103,214	182,551

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

BIASI WATER COMPANY, INC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	7,014	4.14	290
302	Franchises			
309	SUPPLY MAINS	78,521	4.14	3,251
304	Structures and Improvements	27,491	4.14	1,138
307	Wells and Springs	26,911	4.14	1,115
311	Pumping Equipment	9,523	4.14	394
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	63,175	4.14	2,615
331	Transmission and Distribution Mains	61,446	4.14	2,544
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	11,418	4.14	472
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	266	4.14	11
	TOTALS	285,765		11,830

This amount goes on the Comparative Statement of Income and Expense  
Acct. No. 403.

COMPANY NAME BIASI WATER COMPANY, INC

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 39,384	\$ 100,919
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	<1,601>	- 0 -
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 37,783	\$ 100,919
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 275,465	\$ 285,765
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	<91,384>	<103,214>
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 184,081	\$ 182,551
	<b>TOTAL ASSETS</b>	\$ 221,864	\$ 283,470

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME BIASI WATER COMPANY, INC

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 70,729	\$ 74,245
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 70,729	\$ 74,245
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 70,729	\$ 74,245
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 218,253	\$ 218,253
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	<67,118>	<9,028>
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 151,135	\$ 209,225
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 221,864	\$ 283,470

COMPANY NAME BIASI WATER COMPANY, INC

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 32,468	\$ 55,890
460	Unmetered Water Revenue		
474	Other Water Revenues	5,430	12,109
	<b>TOTAL REVENUES</b>	\$ 37,898	\$ 67,999
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 5,545	\$ 21,326
610	Purchased Water	1,730	2,295
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance	14,413	11,345
621	Office Supplies and Expense	5,047	4,107
630	Outside Services	5,047	8,963
635	Water Testing	692	7,135
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	525	12,483
659	Insurance - Health and Life	302	477
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	450	405
403	Depreciation Expense	11,404	11,830
408	Taxes Other Than Income	3,029	2,595
408.11	Property Taxes	496	801
409	Income Tax	45	45
	<b>TOTAL OPERATING EXPENSES</b>	\$ 48,725	\$ 83,827
	<b>OPERATING INCOME/(LOSS)</b>	\$ <10,827>	\$ <15,828>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income	36,000	72,000
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 36,000	\$ 72,000
	<b>NET INCOME/(LOSS)</b>	\$ 25,173	\$ 56,172



COMPANY NAME BIASI WATER COMPANY, INC

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

— NONE —

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year \$ \_\_\_\_\_

COMPANY NAME	BIASI WATER COMPANY, INC
Name of System	ADEQ Public Water System Number (if applicable)

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-523210	15	85	220	18	-0-	1992
55-565318	15	85	180	12	-0-	2004

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

N/A

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000	1	N/A	N/A

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	BIASI WATER COMPANY, INC
Name of System	ADEQ Public Water System Number (if applicable)

### WATER COMPANY PLANT DESCRIPTION (CONTINUED)

#### MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	C-900	6520
8	C-900	8500
10		
12		

#### CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

N/A

OTHER:

100,000 gallon water tank

2 wells with 15 HP pumps

6 foot fence around tank and well sites

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME:	BIASI WATER COMPANY, INC
Name of System	ADEQ Public Water System Number (if applicable)

### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	95	602,700		
FEBRUARY	105	600,834		
MARCH	115	500,938		
APRIL	118	568,017		
MAY	124	852,620		
JUNE	131	1,014,225		
JULY	134	1,230,370		
AUGUST	134	998,585		
SEPTEMBER	141	611,655		
OCTOBER	151	1,151,130		
NOVEMBER	153	1,019,890		
DECEMBER	149	940,080		
TOTALS →		10,091,044		

What is the level of arsenic for each well on your system? .003 mg/l  
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 500 GPM for 6 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
N/A ( ) Yes ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
( ) Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
N/A ( ) Yes ( ) No

If yes, provide the GPCPD amount: \_\_\_\_\_

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME BIASI WATER COMPANY, INC YEAR ENDING 12/31/2006

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 1645.28

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

RECEIVED

MAY 07 2007

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>MOHAVE</u>
NAME (OWNER OR OFFICIAL) TITLE <u>GARY BIASI, PRESIDENT</u>
COMPANY NAME <u>BIASI WATER COMPANY, INC</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

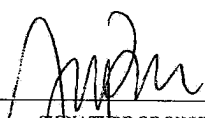
MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

  
SIGNATURE OF OWNER OR OFFICIAL

(928) 347-5920  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

26<sup>th</sup>

DAY OF

COUNTY NAME

Washington

MONTH

April

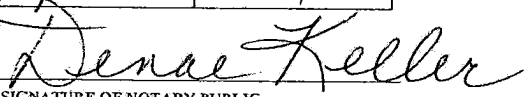
2007

(SEAL)



MY COMMISSION EXPIRES

DENAE KELLER  
NOTARY PUBLIC - STATE OF UTAH  
20 N MAIN  
SUITE 402  
ST GEORGE, UT 84770  
COMM. EXP. 06-18-2008

  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME BIASI WATER COMPANY, INC YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported -  
Estimated or Actual Federal Tax Liability -

State Taxable Income Reported -  
Estimated or Actual State Tax Liability 1,202

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected \_\_\_\_\_  
Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Gary BIASI  
SIGNATURE

4/13/07  
DATE

GARY BIASI  
PRINTED NAME

PRESIDENT  
TITLE

VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only

RECEIVED

MAY 07 2007

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) MOHAVE	
NAME (OWNER OR OFFICIAL) GARY BIASI	TITLE PRESIDENT
COMPANY NAME BIASI WATER COMPANY, INC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 67,999

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$  
IN SALES TAXES BILLED, OR COLLECTED)

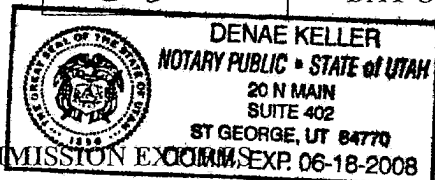
\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

  
SIGNATURE OF OWNER OR OFFICIAL  
(928) 347-5920  
TELEPHONE NUMBER

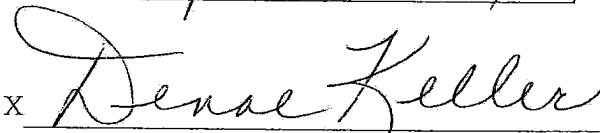
SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS 26th DAY OF

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME	
COUNTY NAME Washington	
MONTH April	2007

X   
SIGNATURE OF NOTARY PUBLIC